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**AMENDMENTS TO THE SPECIFICATION:**

Please replace paragraph [0073], as published (or paragraph 3 on page 16 as filed), with the following amended paragraph:

[0073] From fabric 604, traffic destined to MPLS network 104 is forwarded to MPLS card 506 ~~604~~. It will be appreciated that traffic from all ingress cards 502 with flows to MPLS card 506 ~~604~~ may make fabric switch MPLS card 604 a congestion point. As noted earlier, prior art systems provided a back-pressure signalling scheme to alleviate congestion and ~~but~~, a prioritization scheme for converting providing numerous COS levels. In a back-pressure only situation, traffic streams that are not behaving will unfairly penalize those streams that are behaving.

Please replace paragraph [0080], as published (or paragraph 1 on page 19 as filed), with the following amended paragraph:

[0080] In the embodiment shown in FIG. 7, UBR and nrtVBR labelled traffic is provided a reserved amount of port bandwidth to the reserved queues 706. Eight reserved queues 706a...706h receive UBR and nrtVBR labelled traffic with reserved bandwidth after threshold checks at block 711. The threshold checks performed at block 711 may include comparing the UBR and nrtVBR reserved queue depths to predetermined thresholds. Weighted random early discard may be applied to packets in these queues ~~if~~ ~~of~~ their queue depths reach a minimum level. Traffic in the queues 706a...706h ~~is~~ ~~are~~ then processed on a best effort basis with guaranteed bandwidth for each queue and consideration for whether any random early discard should occur. As shown, each reserved bandwidth queue 706a...706h is processed by calendar 712 and enters the line rate packet stream at 716. It will be appreciated that the bandwidth processed by calendar 712 will be less than or equal to the sum of the reserved bandwidths of the reserved bandwidth queues 706a...706h.

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Please replace paragraph [0088], as published (or paragraph 2 on page 21 as filed), with the following amended paragraph:

[0088] Still referring to FIG. 8A , each of reserved queues 706b and 706c are receiving traffic at a steady arrival rate of 10 Kbps, and assuming that the reserved queues 706b and 706c have reserved bandwidths of 3 Kbps and 2 Kbps, respectively, the reserved queue 706 will receive a total bandwidth of 5 Kbps through line rate packet stream 716.